FBIS DAILY REPORT

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AIR FORCE GENERALS DISCUSS NATIONAL REORGANIZATION

PY191556Y Buenos Aires Domestic Service in Spanish 1030 GMT 19 Jul 78 PY

[Communique issued by Argentine Air Force in Buenos Aires on 18 July]

[Text] The meeting of commanding generals began at 0900 today at the Condor Building, headquarters of the Argentine Air Force. This meeting was presided over by the commander in chief of the air force and attended by all brigadier generals on active duty.

The meeting discussed several matters related to the branch, such as the budgetary situation for the remainder of fiscal year 1978, new equipment, and the development of the branch's operational capabilities.

The meeting also discussed issues related to the development of the national reorganization process such as guidelines for the relations between the military junta and the national executive branch, the role of the executive branch within the military framework, the guidelines for future social projects, the ministerial jurisdiction law, and the guidelines for government action between 1979 and 1981.

With regard to international affairs, the meeting paid special attention to subjects related to Argentine relations with other countries of the continent, such as: Argentine-Chilean negotiations, the Itaipu-Corpus project, the Yacyreta project and human rights.

The meeting closed at 1330 and was followed by a luncheon which lasted until 1530.

MONTES STRESSES NATION'S RIGHTS IN ANTARCTICA

PY171759Y Buenos Aires TELAM in Spanish 1330 GMT 17 Jul 78 PY

[Text] Buenos Aires, 17 Jul--Foreign Minister Oscar Antonio Montes today inaugurated the second special consultative meeting of signatory nations of the Antarctic treaty with special reference to the position of Argentina, "a country which has rights over the Antarctic because of undeniable geographical and geopolitical reasons." Montes addressed delegates of the 12 signatory nations of the 1959 Antarctic treaty, including Poland, which has joined recently. The minister, who was accompanied by Under Secretary of Foreign Relations Capt Gualter Oscar Allara, emphasized the fact that "the morphological nature of the Antarctic is similar to the Andes Mountains, as well as the actions carried out by Argentine seal hunters in the second decade of the 19th century.

The second consultative meeting is being held in the Libertador Hotel of this city, with the participation of representatives from Argentina, Australia, Belgium, Chile, the United States, France, Japan, New Zealand, Norway, Poland, South Africa, the UK and the USSR. The meetings will last until the end of the month and will discuss presentation of the region's marine life resources.

The foreign minister also said that "for 40 years Argentina was the only permanent occupant of the Antarctic and its men challenged, with courage and sacrifice from that early time, the harshness of this desolate continent, a fact which truly testifies to the interest always shown by my country in these territories."

He then said: "The Argentine presence in the Antarctic has long passed the 70-year mark and this is a great honor to our country." He also mentioned the important and uninterrupted activity carried out by Argentina in this area, with which it has ratified its presence and its rights derived from it.

Antarctic Treaty Criticized

PY180215Y Buenos Aires TELAM in Spanish 2114 GMT 17 Jul 78 PY

[Text] Buenos Aires, 17 Jul--The head of the Argentine delegation to the second Antarctic meeting has ridiculed the "ingenious formula" found in Washington in 1959, "the famous Article 4 of the treaty" signed at that time by 12 countries, "which has allowed us to make sensible progress under a system in which some of the (?signatories) have not given up their sovereign rights over the Antarctic, whereas the same rights are not recognized by other members of the treaty."

Minister Plenipotentiary Angel Maria Oliveri Lopez, who began the series of speeches by the countries represented after Foreign Minister Oscar Antonio Montes inaugurated the meeting, was clearly referring to the lack of respect for the provisions of Article 4 of the treaty, which specified that Article 4 was not to be interpreted as a renunciation of the sovereign rights of any of the contracting parties.

He added: "But the challenge we are facing today is even more complex and sensitive than that of 1959, for two reasons: 1) because, for the first time, under the label of conservation, we will open the Antarctic to economic exploitation activities; and 2) because the system being studied here will apply to resources of areas located north of 60 degrees South latitude where there are jurisdictional waters within which the rights of a coastal state are known to everyone."

Oliveri Lopez based the Argentine concern for conservation of species in its jurisdictional waters on the adoption of very old measures, and he mentioned as an example a decree-law of 11 October 1946, which established Argentine sovereignty in the epicontinental sea and continental shelf and expressly mentioned in its preamble the national concern of preserving the ecological system in the area, a position held for more than 30 years.

Oliveri Lopez indicated that, consistent with the concern, the Argentine delegation would circulate a proposal among the participants to establish a "reserved area" in waters adjacent to the entire Antarctic coast, on the basis of the ecological factors, since this is an important breeding area for species.

PRC TRADE MISSION TO MEET WITH BUSINESSMEN

PY192223Y Buenos Aires Domestic Service in Spanish 1600 GMT 19 Jul 78 PY

[Text] The Argentine banking association has organized a meeting, to take place today at 1800 in a Buenos Aires hotel, which will study the prospects of trade, exchange of capital assets, technology and technical exchange between Argentina and the PRC.

Local bankers, members of the PRC trade mission which is visiting us, representatives of the Argentine-Asian Chamber of Commerce and representatives of the PRC Embassy will attend the meeting. Argentine industrialists, especially from the metallurgical sector, will also be in attendance.

COURT ACCEDES TO PEREDA'S ELECTION NULLIFICATION REQUEST

PY200341Y La Paz Radio Panamericana in Spanish 0130 GMT 20 Jul 78 PY

[Resolution No 072/78 issued in La Paz by National Electoral Court on 19 July]

[Text] In view of the memoranda submitted by Juan Pereda Asbun, presidential candidate for the People's Nationalist Union [UNP], on the one hand; and by Hernan Siles Zuazo, Benjamin Miguel Hare, and Victor Paz Estenssoro, on behalf of the Democratic and Popular Unity Front [FUDP], the Christian Democratic Party [PDC], and the Democratic Alliance of National Revolution [ADRN], respectively, on the other; and of all that had to be (?investigated) within the period preceding, during and after the 9 July elections;

Considering that in a memorandum submitted today in a public hearing held by this court, Juan Pereda Asbun stated first that pursuant to the majority of the votes cast by the people in the 9 July election and, in accordance with the vote count carried out by the departmental courts, he has been elected president--despite this positive result achieved by both his candidacy and the front of political parties and organizations supporting him, and for the sake of a patriotic goal and for achieving the social peace needed by the nation to fulfill its development and to meet its just demand to return to the sea on the first centennial of the 1879 war, he proposed and asked the National Electoral Court [CNE] for annullment of the electoral process and implementation of a new plan for democratic constitutionalization, within the framework of new conditions which would provide the time and means necessary to let the people study and implement every possible political action;

Considering that in a joint memorandum FUDP, PDC and ADRN leaders demanded the intervention of the La Paz departmental court, a new vote count in accordance with the law, the express annulment of 351 illegally created voting places, and the invalidation and annulment of votes which were unduly attributed to the official candidate, that they presered the right to request the annulment of the 9 July general elections in view of fraud and defects which were time and again reported by their various organizations and by foreign observers;

Considering that the CNE issued Resolution No 071 on 18 July, reaffirming the principles of respect for the law, independence and freedom outlined in the Constitution on a democratic basis, that the sovereign will of the people must be expressed through free, mandatory, secret voting, which is the basis of the legitimate organization of the branches of government; in view of the many reports of violation of the electoral law; and concerned over the electoral results, the court decided to suspend the proclamation of senators and deputies until it became fully aware of the many errors and until it decided on the requests for annulment submitted by political fronts and parties;

Considering that this resolution, which was inspired by high doctrinaire legal and social principles, was not properly understood by the political organizations which participated in the 9 July election, despite the fact that leaders of the most prominent political organizations had considered it feasible pursuant to unofficial figures resulting from the departmental vote count;

Considering that a careful study of the proposals, charges and requests made by the UNP, FUDP, PDC, ADRN and other political organizations indicates the existence of defects not only during the postelectoral, vote-count stage but also during the preelectoral and electoral stages, such as the failure to implement both the use of colored voting tickets and the proportional quota system, the active participation of both domestic and international pressure groups, reports on establishment of voting places without publication of the proper legal provision, and other actions indicating that there were facts and actions which--in the light of calm and impartial study of their legal, fundamental and political aspects--lead to the belief that the objections made to the validity of the election are not only related to one of its stages but to the entire process, to such a degree that upholding it would mean setting a bad precedent in the history of Bolivia and would mean distorting the lofty mission this court has set for itself and leading this democratic process as an example of righteousness and correctness for future electoral events;

Considering that of the four sectors which have participated in the electoral process--government, political parties, citizens and electoral organizations--the citizens have demonstrated, with absolute clarity, their democratic calling, their decision to fill [constitoir] the branches of government through the voting process;

Considering that this attitude must be adequately and quickly directed toward new general elections that will fully guarantee the people's clean and correct sovereign expression without improperly interfering in the creation of an authentic representative democracy;

Considering that the electoral process, as an institutional political act, represents the highest value protected by the constitution, and that as it is a question which affects the supreme interests of the nation it is therefore absolutely necessary to apply the principle of a general nature foreseen by Article 252 of the civil code, which empowers every type of reviewing court to annul every type of process in which violations which affect public order have been found;

Therefore, the CNE, having met with all its members and having voted unanimously, resolves:

1. To declare as fully null and void the general elections held on 9 July 1978 throughout the republic.

2. To recommend the calling of new general elections for president, vice president and for national representatives in a period not to exceed 180 days.

3. To recommend that the current electoral law be revised, to thus confirm the use of the single ballot [words indistinct] the proportional quota system and the introduction of more adequate and viable procedures for the counting of votes and other electoral operations on the basis of the experience already acquired and the suggestions of the political parties.

4. To propose the need to approve a general law regarding political parties for the responsible organization of representative entities.

5. To recommend applying the use of the single identity document for carrying out electoral duties.

6. To declare expired the functions of this National Electoral Court and those of its dependent organizations once the task of accounting, inventorying and handing over of assets and documents through 30 August 1978, with the intervention of the comptroller general, has been implemented.

It is so ordered.

Signed: Julio Mantilla Larrea, president; Marcelo Cespedes Gutierrez, representative of the legislative branch; Jorge Vilar Trujillo, representative of the judicial branch; Carlos Galleguillos Fajardo, representative of the executive branch; and (?Agustin Camacho Pozo), representative of political parties

Before me, Jaime Daniel Ortiz, secretary of the CNE

Details of Pereda's Request

PY200300Y La Paz Radio Panamericana Network in Spanish 0000 GMT 20 Jul 78 PY

[Text] At a plenary session of the National Electoral Court [CEN], with the candidate of the People's Nationalist Union, Gen Juan Pereda Asbun, and all the top leaders of that political alliance present, annulment of the electoral process was proposed in order to carry out a new plan for a democratic constitutionalization which, under new conditions, might give people the time and means to review and strengthen the political steps presented.

The long document read at the CEN; which certainly was surprising because of the unusual decision it announced, included an extensive review of the whole preelectoral process, the voting itself and the postelection stage, a stage which obviously revealed a completely confused panorama due to the mutual charges among political groups regarding presumed fraud and other irregularities.

Going back to the document, which became the most important news of the day, it was signed by Gen Juan Pereda Asbun and stated textually: I ask the armed forces, an institution which I love and respect, to continue the democratization process by immediately calling for new elections.

Pereda's document added: In making this proposal, which I am sure will have the full approval of the armed forces and the people, who want to avoid days of mourning, suffering and tears, I call upon all political organizations to set aside their selfish yearnings and desires, their offensive self-centeredness. We cannot ignore the contradictions caused by the (?allocation) of assets and labor. Neither can we ignore the differences which separate the majority of the people, who live in a condition which is appropriate to the most backward stages of humanity, from minority circles which have achieved opulence. The awareness of this reality and of the corresponding social expressions does not, however, lessen our conviction regarding the possibility of arriving at a national agreement for the implementation of tasks which are exclusively related to democratizing the country.

The analytical section of the document delivered to the CEN stated: The democratic opening is a very important achievement which must be preserved by the population. We need, however, to be clearly aware that democracy is not a formula or a presorpiton that can be applied mechanically. Democracy is a historical (?dilemma), which is achieved through the persistent work and struggle of peoples.

Another important paragraph of the document mentions the evident occurrence of some violations and incidents which tarnished the voting, some of them caused by the backwardness of the country and others by the deliberate and conscious behavior of certain political organizations which participated in the elections.

The distortions caused by lack of strong political structures, the low cultural level of our society, the lack of material resources and appropriate organization are understandable, since they are part of a historical reality which cannot be changed overnight. The distortions caused by political parties of the extreme left deserve frank condemnation, however, since they hurt the image of the country and reduce the legality of the popular vote. The manipulation of figures, the exaggeration of some mistakes and the falsification of documents were part of a well thought-out apparatus with a lot of money and foreign support (?behind) a plan prepared beforehand to discredit the democratic plan implemented by the government of the armed forces of the nation.

There were, among others, the ideas included in the important document requesting annulment of the general elections of 9 July.

When General Pereda was asked about his nomination if the annulment is approved, he stated that it was too early to discuss the issue.

FUDP Comment on Request

PY200126Y La Paz Radio Panamericana Network in Spanish 0000 GMT 20 Jul 78 PY

[Excerpt] The request for annulment of the 9 July elections made by Gen Juan Pereda Asbun, candidate of the People's Nationalist Union [UNP], has been called a new attempt at terrorism. This statement was made by Edil Sandoval Mopon, a leader of the Democratic and Popular Unity Front [FUDP], who stated: [begin recording] If this is true it will mean, on the one hand, acknowledgement of the magnitude of fraud, which the FUDP has been charging daily, based on documents. On the other hand, it will also mean ignoring the success achieved by our nominee on 9 July. In this case we will be facing a new attempt at terrorism by the dictatorship, an attempt which the people categorically rejected through their 9 July vote.

If the process for constitutionalization ends in this way the armed forces will be legally and morally compelled to remove Gen Hugo Banzer from his position as president, since we believe President Banzer is the main person to be blamed for the fraud set up at official level and for spoiling the constitutionalization process of the country. [end recording]

Villalpando Backs New Elections

PY200158Y Paris AFP in Spanish 0056 GMT 20 Jul 78 PY

[Text] La Paz, 19 Jul--Gen Alfonso Villapando, commander in chief of the Bolivian Army, today publicly expressed his support for the calling of new general elections in Bolivia in the next few months.

Villalpando made this statement to the local press tonight shortly after leaving the presidential palace, where he attended a special joint meeting of government officials and high-ranking military officers.

BANZER SAYS HE WILL SURRENDER POWER ON 6 AUGUST

PY192356Y La Paz Radio Panamericana in Spanish 2319 GMT 19 Jul 78 PY

[Statement released to press by President Hugo Banzer Suarez at government palace in La Paz on 19 July--recorded]

[Text] Journalists: I have summoned you this time especially to release a statement regarding the event which took place in recent hours in the political field. I want to read a statement that I am issuing at this time:

In view of the attitude adopted by the presidential candidate of the People's Nationalist Union, Gen Juan Pereda Asbun, who has just asked the National Electoral Court [CEN] for annulment of the 9 July general elections, an attitude which I regard as highly patriotic and dignified on the part of a member of the armed forces, I strongly confirm that on 6 August I will turn the presidency over to whoever the CEN declares is elected by the people to assume the presidency. In case the CEN--in response to the petition made by the candidate who is thus far the winner of the election--decides to annul the elections, I will just the same turn the presidency over to the institution which entrusted me with the mission of ruling the country, so that it may adopt the decisions which would be in the best interests of the republic. In due time, and in a special message, I will elaborate on the ideas I have expressed in this statement to the people of Bolivia.

Further Details

PA192359Y Buenos Aires LATIN in Spanish 2337 GMT 19 Jul 78 PA

[Excerpt] La Paz, 19 Jul (LATIN)--Banzer reaffirmed his decision to relinquish the presidency on 6 August, Bolivia's independence day, to the candidate who is named president-elect by the National Electoral Court. "If the court decides to annul the elections I will turn command over to the armed forces, the institution which entrusted me with the government," added the president. Finally, Banzer said that it will be the armed forces that will determine the country's institutional future.

BRIEFS

AMBASSADOR TO UNITED NATIONS--Javier Murillo de la Rocha, Foreign Ministry under secretary for political and maritime affairs, has been appointed new Bolivian ambassador to the United Nations, replacing Mario Gutierrez, who left that post some time ago. Murillo de la Rocha left for New York last Sunday after having received instructions from President Banzer and Foreign Minister Adriazola. [La Paz Radio Panamericana in Spanish 1130 GMT 19 Jul 78]

1978 MINERAL EXPORTS--The Mining and Metallurgy Ministry reports that for January through May this year the main mineral exports were: tin, $146 million, wolfram $17 million, silver $14 million, zinc $10 million, antimony $3 million and lead $4 million. The total value of mineral exports was $195,192,000. [La Paz Radio Panamericana in Spanish 1130 GMT 19 Jul 78 PY]

BONN SUMMIT DECISION ON NUCLEAR POWER DRAWS COMMENT

U.S. Uranium Supply

PY190346Y Porto Alegre Radio Guaiba in Portuguese 0200 GMT 19 Jul 78 PY

[Text] Brasilia--The Brazilian Government regards the supply of enriched uranium by the United States as a closed subject since it is guaranteed by the agreement signed by the two countries in 1972. Itamaraty made this clarification in view of remarks made in Bonn by Richard N. Cooper, Department of State under secretary for economic affairs, noting that Brazil will have to observe the safeguards outlined in the U.S. nuclear antiproliferation act if the Brazilian reactors were to use U.S. fuel. In any case, Brazilian diplomats take for granted the supply of nuclear fuel based on assurances given a few weeks ago by Gerald Smith, a U.S. specialist in nuclear affairs, who stated that the 1972 agreement contains the safeguards required by U.S. laws.

Brazilian Nuclear Program

PY200037Y Paris AFP in Spanish 1813 GMT 19 Jul 78 PY

[Excerpt] Rio de Janeiro, 19 Jul--In a declaration released here today, Paulo Nogueira Batista stated that the Brazilian nuclear program will not be affected by the demand for additional guarantees agreed upon at the Bonn summit conference of the seven industrialized Western powers. Nogueira Batista, who as president of the Brazilian Nuclear Corporation [NUCLEBRAS] is responsible for implementing Brazil's nuclear program, pointed out that the new measures will be applied only at plants which use uranium supplied by the United States or Canada.

Nogueira Batista recalled that only one Brazilian nuclear plant--Angra I, under construction in Angra dos Reis, a city near Rio de Janeiro--uses uranium supplied by the United States. He added that the supply of fuel for this plant is regulated by the 1972 agreement between the two countries.

Nogueira Batista also rejected the possibility that Brazilian nuclear plants built under the 1975 FRG-Brazilian nuclear agreement may need uranium from the United States or Canada in the near future.

Eight nuclear plants will be built under this agreement including uranium enriching plants and processing and reprocessing plants for fuel elements. To cover any delay in construction of the uranium enriching plant, Brazil has already signed an agreement with the European Nuclear Consortium (URENCO) to obtain all the fuel necessary for operation of its nuclear plants.

NUCLEBRAS, SUBSIDIARIES GRANTED TARIFF EXEMPTIONS

PY191821Y Sao Paulo O ESTADO DE SAO PAULO in Portuguese 18 Jul 78 PY

[Excerpt] NUCLEBRAS and its subsidiary companies, which are the concerns holding the concession for public power supply and which are in charge of the construction and operation of nuclear powerplants, will be able to import equipment, machinery, devices and other materials not manufactured in the country, including their parts, accessories and spare parts, as well as nuclear fuel, at any stage of the production cycle, without having to pay compulsory deposit or taxes on imports of industrialized products.

This is set down in a decree signed by President Geisel in Brasilia yesterday on the basis of the reasons submitted to him by the ministers of finance, industries and commerce, and mines and energy, and by the chief of the planning secretariat of the Presidency. Thus Brazil's nuclear program will now have the special fiscal treatment which already applies to the activities carried out by the oil and power sectors.

POLLS PREDICT SEVERE NATIONAL ALLIANCE DEFEAT

PY191856Y Sao Paulo O ESTADO DE SAO PAULO in Portuguese 18 Jul 78 p 3 PY

[From "Notes and Information" page by C.C.: "Polls Predict Severe Electoral Defeat for National Renewal Alliance"]

[Text] Brasilia--The information and polls results reaching Brasilia from most of the state predict disaster for the government in the 15 November direct elections. Barring miscalculations and improbable changes in the mood of the electors, this year's defeat will be even worse than the 1974 defeat. Despite the strong aid given by the so-called April package to candidates for the National Renewal Alliance [ARENA], the Brazilian Democratic Movement [MDB] is very close to winning a majority in the Federal Chamber of Deputies and in the legislative assemblies of at least 10 states (Acre, Amazonas, Rio Grande do Norte, Espirito Santo, Rio de Janeiro, Sao Paulo, Minas Gerais, Parana, Santa Catarina and Rio Grande do Sul). The opposition will be kept from winning a majority in the Senate by the "bionic" senators which the ARENA is assured of in 21 out of 22 states, but the MDB in only one (Rio de Janeiro). Since another one-third of the senators will be elected by direct votes, ARENA should still win half of this third, composed of 22 senators. Furthermore, since the remaining one-third of the 67-member senate--23 senators--will continue their mandate until 1982, the government party can still count on a majority of at least 45 senators.

This picture, which is being pieced together and routinely kept up to date on the basis of periodic rolls in Planalto Palace, backs the supposition--even the certainty--that President Geisel--not only convinced but also pressured by appeals--will dissolve the existing parties after 15 November but before 1 January, the date when the exceptional rules will be abolished. This picture will change little or not at all if the ARENA and the MDB continue to exist, even considering that the latest constitutional amendments will facilitate the creation of new parties. Anyone who belongs to the MDB, even any "collaborationist" who follows the former and future governor of Rio de Janeiro, Chagas Freitas, is not likely to set out on the adventure of founding another party. As for ARENA, sapped of strength, it will have little inclination to divide itself.

With the extinction of the parties, however, things would be different. The various ideological groups in the opposition and government parties, relieved of the obligation to stay under the umbrella, certainly would not resist the temptation to strike out on their own since the chances should be the same for those who stay as for those who step out from under the umbrella.

General Figueiredo, President Geisel and ARENA's principal leaders are in favor of disbanding the existing parties although they cannot publicly admit it. The opposition will protest this measure but will have no way to stop it (because the dissolution will be decreed while the Institutional Act No 5 is still in force).

If it does not adopt that measure to try to divide the MDB and to bury the ARENA once and for all, the current government will be taking the risk of becoming the spoiler of the regime's reforms because it will ironically leave somewhat more democratic institutions for General Figueiredo. But it will have also passed on to him a party system which cannot avoid creating deadlocks almost immediately. With a majority in the Chamber of Deputies and a sizeable, although minority bloc in the Senate, the MDB will even be able to pass constitutional amendments and, even worse (for the government), stall the passage of all measures proposed by the government.

General Figueiredo and President Geisel are expected to involve themselves wholly in the electoral campaign, trying to turn around the trend of popular sentiments and to secure victory for ARENA. But until there is proof to the contrary, this should turn out to be an extremely difficult undertaking. The nation's disgust with the regime, with the hardships of everyday life, with the ineffectiveness of ARENA leaders and their subservience to the government--all of this should prove to be difficult to refute in a few months because they have been hardened for years.

DEMOCRATIC MOVEMENT LEADER SAYS MILITARY CANDIDATE UNLIKELY

PY191501Y Porto Alegre Radio Guaiba in Portuguese 0200 GMT 19 Jul 78 PY

[Text] Brasilia--Deputy Tancredo Neves, leader of the Brazilian Democratic Movement [MDB] in the Chamber of Deputies, has announced that the MDB convention to take place in August will appoint the possible candidate for president of the republic. Tancredo Neves refused to give an opinion on possible names, and said that his research did not reveal favorable grounds within the MDB to support a military candidate. According to Tancredo Neves the situation is urgent and the party must make a final decision on whether or not it is going to participate in the direct election of President Geisel's replacement. Tancredo Neves also confirmed that another concentration to launch the national redemocratization front will take place in Curitiba next Friday.

NATEL EXPECTED TO APPEAL TO SUPREME COURT

PY191422Y Sao Paulo Cadeia Verde Amarela in Portuguese 1000 GMT 19 Jul 78 PY

[Text] Laudo Natel has time until tomorrow to appeal to the Supreme Court for a review of the decision by the Superior Electoral Court to uphold Paulo Salim Maluf's candidacy for Sao Paulo governorship. When Natel's lawyer, Fernando Borges, said that such a move will be made, the lawyer for the Sao Paulo regional director of the National Renewal Alliance in this case, Marcos Neto, said the case is closed.

ALGERIA SIGNS AUTOMOBILE-OIL EXCHANGE CONTRACT

PY150320Y Rio de Janeiro JORNAL DO BRASIL in Portugese 14 Jul 78 p 19 PY

[Excerpt] The government of Algeria has signed a contract with Volkswagen do Brasil and the PETROBRAS International Trade S.A. to exchange oil for 17,000 Kombi buses and 7,000 Passat cars, plus an additional $1.5 million worth of new vehicles. This difference is due to the fact that Algerian oil is more expensive than that of other countries due to its low sulfur content.

SOUTH AFRICAN SHIP MAY NOT ENTER BRAZILIAN WATERS

PY191905Y Buenos Aires TELAM in Spanish 1720 GMT 19 Jul 78 PY

[Text] Brasilia, 19 Jul--Brazilian Foreign Ministry spokesman Luiz Felipe Lampreia has stated that the government will not allow a South African ship which, according to a news agency is sailing close to Brazilian territorial waters, to enter these waters. "We are abiding by a UN resolution and I can guarantee that if necessary our warships will keep this ship away if it should come into Brazilian territorial waters," Lampreia said.

SAUDI, BRAZILIAN ECONOMY MINISTERS TO MEET

PY100359Y Porto Alegre Radio Guaiba in Portuguese 0200 GMT 19 Jul 78 PY

[Excerpts] Brasilia--The Saudi finance and economy minister, Shaykh Muhammad al-Ali Aba al-Khayl, will arrive in the federal capital tomorrow to conclude a long round of talks with his Brazilian counterpart, Finance Minister Mario Henrique Simonsen. The Saudi minister will be received by President Geisel on (?Friday).

BRIEFS

GOLD, CURRENCY RESERVES--Rio de Janeiro, 15 Jul--The Central Bank of Brazil today reported that Brazilian gold and currency reserves totaled $7.271 billion on 31 March 1978. Brazil's reserves had totaled $5,864,300,000 on 31 March 1977, and $7,256,100,000 on 31 December 1977. [Paris AFP in Spanish 1023 GMT 15 Jul 78 PY]

OIL IN AMAZONAS--PETROBRAS has disclosed the discovery of an oil deposit located 65 km east of (Caruari) in Amazonas. The light Arab-type oil found has 45 degrees API [American Petroleum Institute density unit], with an appreciable content of gasoline, diesel oil and CLB [not further identified]. [Sao Paulo Cadeia Verde Amarela in Portuguese 1000 GMT 15 Jul 78 PY]

ANHYDROUS ALCOHOL PROJECTS--The National Alcohol Commission has approved the granting of proalcohol incentives to 21 new projects for the production of anhydrous alcohol. A project in Maranhao and another in Santa Catarina will use Manioc as raw material. [Sao Paulo Cadeia Verde Amarela in Portuguese 1000 GMT 14 Jul 78 PY]

OIL EXTRACTION FROM QUINCE--The construction of a plant for the experimental production of diesel oil from quince [marmeleiro negro] was stated this week. This is a joint project between the National Council for Scientific and Technological Development and the Federal University of Ceara. [Sao Paulo Cadeia Verde Amarela in Portuguese 1000 GMT 15 Jul 78 PY]

PETROBRAS PRODUCTION--PETROBRAS daily oil production will be increased by 7,000 barrels as of September when drilling in the Ypiranga River basin at (Minares) on northern Santa Catarina goes into production. [Sao Paulo Cadeia Verde Amarela in Portuguese 1000 GMT 18 Jul 78 PY]

RECENT DEATHS PROMPT MILITARIZATION OF SANTA MARTA

PA181720Y Paris AFP in Spanish 1345 GMT 18 Jul 78 PA

[Text] Santa Marta, Colombia, 18 Jul (AFP)--The killing of two policemen and four civilians by alleged drug traffickers has prompted the militarization of this Colombian port on the Caribbean beginning today.

The deaths occurred in Guachaca, a town 20 km from Santa Marta. The authorities have questioned approximately 1,000 persons regarding the deaths. According to official reports, there have been 25 violent deaths over the past 2 weeks attributed to drug trafficking gangs.

TURBAY AYALA OFFICIALLY PROCLAIMED PRESIDENT-ELECT

PA161838Y Buenos Aires LATIN in Spanish 1741 GMT 16 Jul 78 PA

[Text] Bogota, 16 Jul (LATIN)--The electoral court today officially proclaimed former Foreign Minister Julio Cesar Turbay Ayala president-elect of Colombia.

DRUG CONTROL SECURITY AGREEMENT SIGNED WITH FRANCE

PA200318Y Madrid EFE in Spanish 2251 GMT 19 Jul 78 PA

[Text] Bogota, 19 Jul (EFE)--France and Colombia drafted a new security strategy today to fight drug traffic at the borders of both countries, according to the public relations office of the Colombian National Police. The director general of the Colombian police and the director of the International Technical Cooperation Service of the French police, Luis Humberto Valderrama Nunez and Jean Capiod respectively, signed the plan, which will be implemented in the near future.

According to one source, the plan includes a series of measures to stop kidnaping and urban terrorism and other public crimes. Col Jean Claude Michel, principal commissioner of the French National Police, who is part of his country's delegation, offered to advise the Colombian police in the training of investigators.

BRIEFS

NEW FLIGHT TO CUBA--Medellin, Colombia, 5 Jul (EFE)--The Colombian and Cuban governments today authorized the Medellin "Sam" airlines to make a weekly flight to Havana. The authorization may last indefinitely depending on the airline's service. [Madrid EFE in Spanish 0511 GMT 6 Jul 78 PA]

TYPHOID FEVER DEATHS--Bucaramanga--Ten more children died recently of typhoid fever in El Papayal, a jurisdiction of Rio Negro, located north of the capital of Santander Department. The epidemic, which has already taken almost 100 lives, was first reported in middle Magdalena 1 month ago. The malaria control service has announced that it will not dispatch more people to give vaccinations into the area because 28 of them have disappeared in this guerrilla-infested region. [Bogota Radio Cadena Nacional in Spanish 1720 GMT 13 Jul 78 PA]

SUPREME COUNCIL WILL NOT COMMENT ON ELECTION RETURNS

PA1917457 Quito Radio Quito in Spanish 1600 GMT 19 Jul 78 PA

[Text] The Supreme Council of Government will not make any statements of a political nature concerning the results of the presidential and sectional elections on which only unofficial figures are available.

The unofficial results are not a topic for political statements by the government, it was noted. In any case, the military government is to remain silent regarding the legal reorganization plan until 10 August, when chief of government Alfredo Poveda Burbano will give his traditional speech before a solemn session of the Quito Municipal Council on the occasion of independence day.

ROLDOS GAINS SUPPORT FOR RUNOFF ELECTION

PA1919327 Quito Voz de los Andes in Spanish 1730 GMT 19 Jul 78 PA

[Excerpt] The reaction to the election victory of Jaime Roldos Aguilera, candidate of the Concentration of Popular Forces [CFP], has been varied.

An analysis by the Quito press indicates that the votes cast on Sunday were based somewhat on emotion. It lists the overwhelming victory of the CFP candidate in Guayaquil and the defeat of its candidate for Quito mayor as a case in point. Something similar happened in Quito, the analysis says, adding that the Liberal Party--which won the post of Quito mayor and the Pichincha prefecture--ranked fourth in the presidential race.

In turn, the Liberal Party still hopes to rank second in order to participate in the runoff election. Right now, Sixto Duran Ballen, the rightwing candidate, holds second place and will probably participate in the runoff election with Roldos, the center-left candidate who won first place.

For its part, the Democratic Left said yesterday that it would support Roldos in the runoff election because it feels that supporting Duran Ballen of the Ecuadorean right-wing would be inconsistent for the party that lost Sunday's presidential elections.

The Alfarist Radical Front, which also lost the elections, with Abdon Calderon Munoz as its candidate, has not yet announced its position regarding the runoff election. However, Calderon clearly said during the election campaign that he would support any candidate who qualified for the runoff election, except Duran Ballen.

In Buenos Aires, Velasco Ibarra also commented on Sunday's election in Ecuador, saying he hopes Roldos, the young Ecuadorean politician who is only 37 years old, will establish a government of authentic freedom and justice.

ROLDOS SAYS COUNTRY WILL NEVER BE TAKEN TO EXTREMES

PA191838Y Paris AFP in Spanish 1756 GMT 19 Jul 78 PA

[Text] Guayaquil, Ecuador, 19 July (AFP)--Jaime Roldos, the populist candidate for the presidency of Ecuador, stated here today that "some persons are trying to approach the armed forces with proposals" to have the armed forces disregard the results of the first round of the elections.

Roldos, who is 37 years old and supported by the powerful Concentration of Popular Forces, led his opponents in Sunday's elections and will face Conservative Sixto Duran in the second round.

This morning, Defense Minister Gen Andres Arrata reiterated that the armed forces will respect the election results. However, according to observers, the success of populism has frightened the leaders of the country, who fear that a government led by Roldos will lead Ecuador toward Marxism.

In statements published today by the newspaper EL TELEGRAFO, Roldos also criticized the work carried out by the National Secretariat of Public Information [SENDIP] on Sunday night. "When we were leading by a large margin," he affirmed, "SENDIP made every possible effort to decrease the difference and lead the country to believe that our victory was not overwhelming."

"The country wants changes, but to take things to an extreme, that will never be done. I say this in a definite and decided manner because it is not appropriate to knock at the door of the garrisons and try to lead the brothers of the armed forces to a confrontation with the great popular sectors of Ecuador," he reaffirmed.

Ecuador "demands unity and national integration. The only real division we are experiencing," he said, "is that which exists among the exploiters and the exploited."

RADICAL LIBERAL PARTY CLAIMS SECOND PLACE FOR HUERTA

PA191515Y Quito Radio Quito in Spanish 1400 GMT 19 Jul 78 PA

[Text] A spokesman of the Ecuadorean Radical Liberal Party today announced that they are ready to fight to the end to achieve second place for their candidates. He affirmed that the results announced so far by the National Secretariat of Public Information are not complete. He added that they have reports on as yet uncounted provincial results which give Raul Clemente Huerta and Arsenio Vivanco Neira second place.

The Liberal Party candidates were supported in the election by the Revolutionary Nationalist Party, the Socialist Party and other center-left political groups which joined in the so-called Front for National Democratic Unity.

POLICE SAY LAINO, WIFE LYING ABOUT ABUSE

PY192022Y Asuncion PATRIA in Spanish 19 Jul 78 p 7 PY

[Announcement released by information office of police investigations department on 19 July]

[Text] The statement made by Laino's wife that he was 72 hours without food and 60 hours standing is a lie which shows itself for what it is because it is a basic supposition that the doctors who signed the medical examination report would have indicated if signs of starvation or physical weakness existed. IF NOTHING WERE REPORTED, IT IS SIMPLY BECAUSE THERE WERE NO SIGNS OF IT.

With regard to his "emotional state of anguish and weeping" (medical report), this is not due to any physical or moral ill treatment but to the conditions of the detainee, to his lack of moral strength and his lack of manhood in a moment of trial which he himself asked for as a result of his subversive involvements. This is a state of tearfulness in a leader prone to fear and improper behavior by a "LEADER OF THE OPPOSITION," as the interested propaganda is trying to label him....It cannot be ignored that the assumption of this state of anguish, fear and tearfulness may be another ploy taught in the "Manual on Agitation," aimed at winning compassionate support.

In view of these treacherous remarks regarding Laino's ill state of health, the investigations department, knowing that this type of campaign is part of the directives established in the "manuals" of the extreme left, ordered the medical examination.

According to this deposition, a MEDICAL BOARD especially appointed for this situation, with the participation of a doctor APPOINTED BY LAINO'S WIFE, and made up of Doctors Gregorio Paciello Fernandez; Luis Hernan Cabral; Juan Olegario Ortiz Villalba; Santiago Villamayor; Lorenzo Hernan Godoy, forensic surgeon; Oscar Gomez; and JUAN S. NETTO (appointed by Laino's wife) DID NOT FIND TRACES OF ANY PHYSICAL ILL TREATMENT, except a slight chafing of the skin on the wrists and on the face, which was not caused by handcuffs, as reported, but by scratches produced by mosquitoes and by Laino himself. The real origin of these scratches can be checked by any expert or doctor. Therefore, it is completely false that Laino has received any kind of ill treatment. MRS LAINO AND HER HUSBAND ARE LIARS. The doctor who signed the medical report can testify to it. "I TOOK PART IN LAINO'S MEDICAL EXAMINATION AT THE REQUEST OF HIS WIFE, AND I HONESTLY HAVE TO SAY THAT WE DID NOT FIND ANY TRACE OF PHYSICAL ABUSE ON HIM." (newspaper HOY, 15 July 1978, p 10). "I FOUND LAINO PHYSICALLY WELL." "LAINO WAS THOROUGHLY EXAMINED BY THE DOCTORS AND SPECIAL EMPHASIS WAS PLACED ON EXAMINING THE TESTICLES AND THE RECTUM, BUT NO INJURIES OF ANY KIND WERE FOUND." (ULTIMA HORA, 14 July 1978, p 6)...remarks made by Dr Netto himself. The investigations department has good documentation on this matter and if untrue statements continue to be made, the department will go to court to solve this matter according to the law.

IN SUMMARY, Laino did not receive any ill treatment, but rather special considerations: He was not locked in his cell until Thursday, 13 July, the night before the medical examination, when he was discovered trying to inflict injury on himself; he was given clothing, personal hygiene articles, pajamas and all the things needed for decency. He was given hot water for bathing and spray for mosquitoes, which was not denied (because he said the mosquitoes were not letting him sleep)....

In fact, he was neither 60 hours standing nor 72 hours without food, neither handcuffed nor tied--this man passed through the investigations department as a very weak individual or very...clever.

[Asuncion ABC COLOR in Spanish on 18 July, page 8, reports that Doctors Andres Fschisseli and Franz Alther, from the regional International Red Cross office, also examined Domingo Laino and other prisoners in Tacumbu Prison and other police precinct jails. Fschisseli said that they did not come especially to examine Laino but that this was a normal visit made every 2 or 3 months for about the last 3 years, at the invitation of the government. He said that Laino was found in good health during an examination more or less similar to the previous medical examination carried out by Paraguayan doctors and that their conclusion is very much like the other.]

ABC COLOR FAULTS LAINO CASE GOVERNMENT OVERREACTION

FY191918Y Asuncion ABC COLOR in Spanish 19 Jul 78 pp 1, 10 FY

[Editorial: "Time To Be Intelligent"]

[Text] Newspapers all over the world are suddenly covering Paraguay. We began making news after the Itaipu treaty was signed and many people around the world had to concern themselves with Paraguay.

We made news again in the last 2 weeks, first at the OAS and now in a larger part of the world. Paraguay made "news" in the last few days, first for the questioning on human rights at the OAS and later due to the well-known incident which was recently covered by the newspapers.

We have to say something about the ones who chose the procedure for arresting Laino; the ones who used press and radio to insult just about any country which criticized us; the ones who organized a demonstration against the U.S. Embassy; the ones who blindly state that everything is all right in the country and that nothing is needed to improve it. One of two things is right: Either they do not know what they are doing or they know it too well and are carrying out a deliberate game in search of hidden objectives.

We must ask ourselves, under these circumstances, what these people are searching for with this attitude, since in a few days they have managed to damage the image of our country, so painfully built over so many years. If the street rumor is right that all of this is a sneaky way to attack the government, then all the intelligent people of the country must confront it and in this effort we call for unity of the officialist sector and the opposition.

Simply calling everyone a communist, including Edward Kennedy, means that we are forcing ourselves to label as subversives all those who do not support us unconditionally.

Worst of all, not even the solution given to the Laino case is convincing us or others. Unfortunately, the administration of justice itself is being questioned at home and even more abroad.

It will be more beneficial and nicer to bring this problem to a successful end soon, rather than drag it out for a long time in the midst of angry voices and threatening gestures.

Above all, we must understand, due to the challenge we are facing, that the world expects to see us as a country of progress and work, open to the world, convinced of our destiny, including a tolerance for dissent. This is the stage of events when intelligence must prevail. The entire country expects an intelligent solution, especially the reasonable and constructive members of the country.

PEMEX OFFICIAL COMMENTS ON BONN SUMMIT DECISIONS

PA191215Y Mexico City International Service in Spanish 0300 GMT 19 Jul 78 PA

[Text] Mexican Petroleum's [PEMEX] general director, Jorge Diaz Serrano, said yesterday that Mexico will not be affected by the reduction of petroleum imports by seven world powers. He said that Mexico's petroleum sales are guaranteed for this year, so the reduction will not affect it in any way. He explained the efforts of the large consuming countries to reduce their purchases through the (?rationalization) of petroleum consumption.

Asked about the availability of using petroleum revenue to import food, he said that if this is an urgent necessity of the country, it must be done. It would be excellent if petroleum revenues were used for this purpose, he said.

The Mexican official was interviewed regarding the agreements reached at the Bonn economic summit where Italy, France, Japan, the United States, Great Britain, Canada and the FRG decided to adopt measures to reduce their petroleum imports. These nations are now normally importing that volume and it is within Mexico's export and that sale is already guaranteed for this year. [sentence as heard]

Mexico will extend its petroleum sales and technological exchanges with the largest number of European nations possible. The PEMEX general director reported this yesterday on inaugurating the [word indistinct] with France, Spain, Italy and Switzerland in an agreement on the sale of our petroleum surplus and technological exchange. Diaz Serrano said that we have opened new markets in Europe in order not to depend on a single buyer. Our petroleum export markets continue to be diversified.

After noting that the United States is undergoing serious problems with the energy program outlined by its government for which it uses petroleum as a political weapon, [as heard] he said that Mexico is not suffering pressures in this regard since it has already outlined its petroleum policy. Autonomy in production and freedom in trade are the basis of that petroleum policy, the Mexican official stressed.

BRIEFS

SUGAR HARVEST STATISTICS--The National Sugar Industry Commission reported yesterday that thus far the 1977-78 sugar harvest has amounted to 2,841,000 tons, which exceeds all expectations. The report adds that final results of the harvest will be even greater since about 10 sugar mills are still operating. [Mexico City International Service in Spanish 0300 GMT 5 Jul 78 PA]

FOREIGN DEBT--Mexico City, 4 Jul (EFE)--The Government Finance Committee of the Chamber of Deputies revealed today that the amount of Mexico's indebtedness now stands at $37.268 [as received] billion. The foreign debt accounts for $23.775 billion while the domestic debt runs to $13.5 billion, according to the congressional report. The chairman of the finance committee, Enrique Alvarez del Castillo, said that 12 percent of the foreign debt must be paid on terms of less than 1 year. This compares with 20 percent in 1976. [Madrid EFE in Spanish 2226 GMT 5 Jul 78 PA]

STEEL COMPANY DIRECTOR DISMISSED--Mexico City, 28 Jun (EFE)--The government announced today that Francisco Javier Alejo has been replaced as director of the National Steel Company and the National Railroad Car Manufacturing Company. Alejo had been patrimony secretary during the Luis Echeverria administration. The changes are part of the administration reorganization. [Madrid EFE in Spanish 0230 GMT 29 Jun 78 PA]

FOREIGN MINISTRY ISSUES FOREIGN POLICY DOCUMENT

PA191032Y Panama City ACAN in Spanish 1725 GMT 19 Jul 78 PA

[By Antonio Martinez]

[Text] Panama City, 19 July (ACAN-EFE)--Panama today disclosed a general outline of its foreign policy which highlights the intention to secure a universal endorsement of the regime of permanent neutrality of the canal entered into with the United States.

A document delivered to ACAN-EFE by the Foreign Ministry to this effect hails the efforts to normalize Cuban-U.S. relations, reiterates support for Belize's independence and territorial integrity, voices support for Argentina's claim to the Malvinas Islands and favors Puerto Rico's self-determination. It also supports Bolivia's effort to secure an outlet to the sea, advocates Israel's withdrawal from all the occupied Arab territories, recognizes the inalienable rights of the Palestinian people and insists on the internationalization of the holy places and Jerusalem.

Panama supports without reservations the aspirations of the African peoples of Zimbabwe, Namibia and Azania; backs the Western Saharan people's right to self-determination; and calls for a permanent settlement in Cyprus. Gen Omar Torrijos' government rejects the use of force against the territorial integrity or independence of any state. At the same time, it endorses the principle of peaceful settlement of international conflicts.

It favors international detente, noninterference in the internal affairs of other states and the rejection of the presence of foreign military troops in any nation or country in the world.

The Panamanian Government seeks a more precise definition of the principle of nonintervention. The Foreign Ministry note adds that "any action by the East or West aimed at infringing upon the clear right of self-determination of peoples, intervention in the internal affairs of countries and which does not respect the sovereignty and territorial integrity of all nations" cannot be justified or excused.

Commitments undertaken by Panama as an OAS member are reaffirmed. The validity of the inter-American system is recognized, and concern is reiterated over prompt reform of its organic charter so it may be more functional.

Panama supports the negotiations underway to solve the problems in trade realtions between Latin America and the United States.

"The greatest effort" is announced in maintaining cordiality and cooperation at the highest level in relations with neighboring Colombia and Costa Rica.

Panama advocates respect for human rights and the creation of an inter-American court and a high commissioner for human rights, but does not approve of the adoption of sanctions against countries violating those rights because this might affect efforts of a different nature [gestiones de otra indole].

Torrijos' government will cooperate with every possible means to make effective the ban on nuclear arms in Latin America (the Tlaltelolco treaty).

Aside from voicing support for efforts toward the resumption of Cuban-U.S. relations, Panama reieterates that it favors the lifting of the embargo on the island and supports its claim for return of the U.S. naval base in Guantanamo.

As for the world economy, Panama recognizes that its greater political independence depends to a large extent on achieving economic independence and thus it supports the efforts of the "Group of 77" and efforts to achieve stabilization in international markets.

In conclusion it announces that it will take vigorous steps to see that the UN program for the establishment of a new international economic order is effectively implemented.

LIBERAL PARTY PRESIDENT ON PARTY POLICIES, PLANS

PA191438Y Panama City Circuito RPC Television in Spanish 2333 GMT 18 Jul 78 PA

[Speech to nation by Liberal Party President David Samudio on 18 July 1978--recorded]

[Text] Fellow countrymen: There is great concern in the country for the present and for the immediate future. There is much dissatisfaction with the way the state is being managed. There is so much unrest and distrust that we must calmly and patriotically think about our actions so that they lead to finding solutions demanded by our country.

What I have just stated is evidenced by the paralyzation of the economic activities and the refusal of businessmen to invest in new projects or in existing ones with only promises of better times or because the treaties have been signed.

No, gentlemen. As we have said before, these are aspects of something bigger, that is, the constutional structure of the government, the trust that those in government inspire and the respect that they may feel for government institutions.

It is important to point out that the people want change. The people are convinced that without change we will have a complete failure. I want to note that these changes involve the political structure of the government and some men who are not responding to our people's desire for improvement. These are men who have no political vision or who follow doctrines that are diametrically opposed to the feelings and hopes of a vast majority of Panamanians.

We are aware that a large number of citizens are sure that only the unity of all political, civic, business, production, teachers, students, workers and peasants forces will be able to exert enough pressure to realize the changes which our experience and good sense call for. This is true. There is no doubt. The Liberal Party will contribute to this by exercising all sorts of pressure from its unrenounceable position of not allying in any way with the present government, with which we have no ties.

The fact that the national leadership of the Liberal Party has decided to struggle for the democratization of the government in an independent fashion should not be interpreted in a negative fashion. We have the obligation to maintain the unity of our party. In rural communities especially, the struggles between Panamenists and Liberals have created a great division. The formation of a front under a single leadership could result in the dismembering of the Liberal Party. We have to prevent that at all costs.

Even in the most remote rural communities it is understood that a common struggle should be waged for the democratization of the government system without having internal divisions in a party. After many hours of study on what should be the path to follow in the democratization effort, it became evident that the path should be one of negotiation and reason. We are asking all Liberals to support this decision based on commonsense. We are asking this of registered and nonregistered Liberals, of those who want liberty and who feel the need to break the chains of the dictatorship.

The fact that during the treaties debate the Panamenist Party and the other members of the front rejected the treaties while we defended them is evidence that there are different ways of seeing things. When the democratization issue is raised, however, we will wage our struggle with the methods we have selected, with all our enthusiasm and in good faith. We will do it firmly and resolutely because our only motivation is the well-being of our fatherland.

I am explaining this so that all Liberals understand that we have to struggle for democracy, that we are opposed to the present government system, that we are not committed to any link or pact, and that we will remain firm in our position of demanding a change in the present system.

Now that our position has been clearly established, I will refer to the high-level commission, the commission that will study the new electoral law and constitutional reforms. I read in this morning's newspapers that the government has appointed Dr Romulo Escobar Bethancourt, Aristides Royo and Nicolas Gonzalez-Revilla as its representatives. The Liberal Party will appoint a representative to that commission since the party believes that negotiation is the best way to solve conflicts. It will be at the negotiating table that we will be able to analyze with evidence and reason the resulsts of this revolutionary process. There we will be able to point out areas of failure and accept the achievements that have been made by the process.

We will attend with a mind free of prejudices. Only the well-being of the nation will motivate us. If we find in our counterpart stubborness and resistance to changes that we may decide are necessary for a good administration, then we will suspend the negotiations and we will issue a communique to the country explaining the reasons for the break, putting the blame on whoever is responsible for it.

With regard to the organization and functioning of political parties, we are going to the negotiating table aware of our responsibilities as citizens. This implies a demand that political parties respond to the needs of modern society with respect for opposing viewpoints. The parties must be prepared to plan the economic and social development of our people and to govern based on specific election platforms with the best men. There must also be extensive controls to prevent injustices and abuses.

We do not fear the communists. If we can, we will struggle against them in all tribunals and fields and at the polls, thus letting the Panamanians decide with their votes. But we do reject any form of state support to that doctrine or to any political doctrine. Where ideas are concerned, there is nothing better than government impartiality. The planned guidance of students, peasant settlements, community boards, and labor unions is, of course, something to be criticized. The results of such guidance are regrettable. Proof of this are the unfortunate events at the university, the 60 million spent on the settlements and the debt that resulted from the sugar mills, which is more than 400 million balboas.

Too often, and far from being historically true, government spokesmen irreverently state that the administrations that governed the country prior to 11 October 1968 did nothing for the republic and that the present regime is the only one to have carried out any work of great social significance. Such statements cannot stand up to any analysis because the great achievements of the administrations which preceded the present one, particularly those administrations which were directed by Liberal Party members, are permanently recorded in the history of the nation.

In view of the fact that the representatives of the present regime want to use the tactic of continually representing false information as fact in the hope that the masses will eventually believe it, the time has come to reveal the truth to the new generation so that it will not be impressed by those who have devoted themselves for the last 10 years to spreading rumors and unjustly discrediting the previous administrations. That is why today I am compelled to say that the most important work for the overall development of the country as carried out by the administrations prior to 11 October 1968. It would take a long time to list it, and I do not have time to do this, but those who ruled us from 1903 through 1968 issued three constitutions which organized the republic, began the battle for achieving the recognition of the full sovereignty of Panama in the Canal Zone, and negotiated with the United States agreements and treaties which culminated with the recently signed treaties. They also established the national, agricultural, savings, popular credit, urbanization and rehabilitation banks and set up the civil, penal, judicial, administrative, fiscal, labor and health codes; organized the civil and public registrars; created workers and farmers funds which led to direct taxation [as heard]; and established the Social Security Fund, the water works institute, the hydraulic resources and electrification institute, the education law, the human resources training institute and the National University. All of these civil services are pillars of our social development.

The first agricultural centers, the technical cultivation of rice and potatoes, the school of agriculture of Divisa demonstrate their concern for the agricultural sector. This is in addition to the agrarian reform law, the price control department and the livestock institute.

The highway from Panama City to the interior was built, reaching the Costa Rican border, with important secondary roads. The national railraod was built in Chiriqui. The Santo Tomas and the Social Security hospitals, as well as hospitals in Colon, Aguadulce, Santiago, Citre, Las Tablas, David, Sona, the psychiatric hospital as well as dozens of health centers were built.

In the urban field, the following were built: La Exposicion, San Francisco, El Cangrejo, Betania, Bella Vista, San Miguelito districts; the Colon Free Zone; and the Abel Bravo school, as well as the Felix Olivares, the normal of Santiago, the arts and crafts school, the National Institute, the professional school, the Divisa mechanical arts school and hundreds of other schools scattered throughout the cities and rural areas.

The hydroelectric plant of La Yeguada was built, as well as the first thermal plants of Bahia Las Minas. Studies were done on the Bayano hydroelectric central. The Las Minas-Panama powerlines, as well as the lines from La Yeguada to Las Tablas, Santiago and Santa Clara were built. The El Panama Hotel was built, as was the social security polyclinic, the Panamanian Institute for Handicapped Children, the race tracks, Balboa Boulevard, the maternity hospital and the buildings housing the Finance and Public Health ministries. The comptroller general's office and the statistics office were established as were the general planning directorate and the superior tribunals of justice in Penonome, Las Tablas and David and the institute of mortgage loans. The first economic and social development program of Panama was also prepared.

This is history. As is clearly evident, the republic was not built from 11 October 1968 to the present. Its basic institutions, its main works, its positive achievements--all these that promoted the economic and social development were created and carried out by all the previous administrations, in spite of all the rumors and false stories that the present government has been disseminating for the last 10 years. They want to erase national history, achievements which will remain in effect forever as eloquent evidence of a sincere effort carried out for the benefit of the fatherland by rulers fully aware of their responsibilities.

Today, we are confronted by the beginning of a movement to reform society which expresses itself in the profound and persistent modifications of conscience [conciencia] of a worldwide rebellion of youth. This reform movement definitely tends to democratize society, which is evolving and should be based on the principles of liberty, equality and fraternity which in the struggle against absolutism resulted in the democratization of the state as produced by the revolutions in France and the United States.

In the face of this phase of democratization and liberalization, a new concept of liberty arises which opens to modern liberalism the new political dimension which no longer is simply democratic but is aimed at great social solutions. The right of man to be free is not only guaranteed by law but is a right and liberty which are fulfilled in society. Our struggle is for the transformation of an authoritarian state, lacking liberty, into a state of liberal right. It is a matter of human beings being fulfilled, having equal opportunities in a government of law and not a government of men.

This is modern liberalism. It is democratic with a social content, a liberalism adequate for our modern times that with its modern program contemplates man in his dignity, in his liberty within society, with the exercise of a participating democracy as a driving force in the enforcement of the programs of great solutions for the common good.

Those who insist on not seeing the truth and who by use of force and power want to pressure the National Guard into assuming responsibility for the continuity of the present state of affairs are seriously harming the republic and those they claim are their friends.

The country needs structural changes in its Constitution for an effective democracy, without which we will be unable to overcome the serious difficulties which today hinder its progress. Only these changes will bring about social peace, the confidence and the atmosphere of harmony which is a national goal. Thank you.

COSTA RICA

LEGISLATIVE ASSEMBLY AMENDS TUNA FISHING LAW

PA200313Y Paris AFP in Spanish 0048 GMT 20 Jul 78 PA

[Text] San Jose, 19 Jul (AFP)--The Legislative Assembly approved today an amendment to the tuna fishing law that will allow the seizure of ships fishing without permission within Costa Rica's territorial sea. The bill, approved in the first debate, establishes that Costa Rica will also exert its sovereignty over the 200 miles surrounding Cocos Island, a distant possession in the Pacific Ocean.

EL SALVADOR

ERP TAKES CREDIT FOR RADIO RELAY ATTACK

PA200304Y Panama City ACAN in Spanish 2249 GMT 19 Jul 78 PA

[Text] San Salvador, 19 Jul (ACAN-EFE)--The clandestine Revolutionary People's Army [ERP] took credit today for the attack on one of the Radio Nacional de El Salvador relay stations. The attack was carried out today at 0600 (1200 GMT) in Divisadero, 158 km east of San Salvador, causing serious damage to the building, transmitter and other equipment. In a communique distributed here, the ERP said that the sabotaged plant had improved the range of the government radio station and that the attack was to protest against the "pressures and threats exerted on the news media not to publish anything concerning popular organizations."

The ERP added that the today's action is its reply to the closing of the news media, "to destroy technical-operational media which could be used against possible insurrections" and to protest the "nonexistence of the freedom of expression for popular and democratic organizations."

POLICE RAID LEFTIST HIDEOUT, SEIZE ARMS

PA200258Y Panama City ACAN in Spanish 2208 GMT 19 Jul 78 PA

[Text] San Salvador, 19 Jul (ACAN-EFE)--The police found arms, subversive propaganda and printing equipment in a raid carried out Tuesday night in the district of San Esteban of San Salvador. It was not officially reported whether any arrests had been made, but eyewitnesses on the scene of the raid carried out by security agents said they had witnessed the arrest of two or three unidentified individuals.

Police sources said today that a special commission is investigating activities of leftists in the raided house, located in the western sector of San Salvador. In the last few weeks the police have discovered several operating centers of extreme leftist cells and captured approximately 10 persons in raids.

BRIEFS

ROC-SALVADORAN BUSINESSMEN DECLARATION--The Salvadoran Cahmber of Commerce and its counterpart in Taipei signed a declaration of brotherhood during the visit paid to El Salvador by a high-level delegation of private businessmen from the Republic of China. The document calls for efforts to promote the transfer of information on trade and marketing and mutual visits by business delegations of both countries. It adds that efforts must be made to promote trade and economic cooperation between El Salvador and the Republic of China. [San Salvador Cadena YSKL in Spanish 1220 GMT 17 Jul 78 PA] [SERCANO Network]

C.A. INTEGRATION BANK LOANS--The Central American Integration Bank has approved loans to El Salvador totaling 80 million colones for the 1977-78 fiscal year, representing a 100-percent increase when compared to loans granted to El Salvador during fiscal year 1976-77. [San Salvador LA PRENSA GRAFICA in Spanish 1 Jul 78 pp 5, 78 PA]

SUGAR AGREEMENT RATIFICATION--The Salvadoran Congress yesterday ratified the 1977 international sugar agreement after receiving a favorable report from the foreign relations, justice, economy and agriculture committees. [San Salvador LA PRENSA GRAFICA in Spanish 12 Jul 78 pp 3, 27 PA]

GUATEMALA

NEW FOREIGN MINISTER DISCUSSES BELIZE, PANAMA

PA200009Y Guatemala City DIARIO DE CENTRO AMERICA in Spanish 11 Jul 78 pp 3, 7 PA

[Article by Miguel Angel Ortega Iriarte]

[Excerpts] We have never been part of any group, bloc or organization [sociedades] that promotes division among nations. Regarding the "Third World" countries, based on my work in the field of international relations for many years, I believe that alining oneself with a group is not in the best interest of the country. I believe that our relations should be geared, as the president said in his inaugural speech, to the strengthening of relations with all those organizations and countries from which our country can benefit.

These statements were made by Foreign Minister Rafael Eduardo Castillo Valdes this morning during his first press conference held in the Foreign Ministry's protocol room. He introduced Foreign Ministry personnel and elaborated on different aspects of the government's policies concerning his office.

The Belize Case

A mandatory topic at the foreign minister's press conference was the Belize issue, and in this connection Castillo Valdes read this document:

The Government of Guatemala, convinced of its rights concerning the territory of Belize, respectful of the regulations and traditions which govern the international community and aware of the existence of the right to the national self-determination, which is provided for in the UN Charter, declares that:

1. Guatemala is engaged in a territorial conflict with Great Britain over the territory of Belize;

2. In agreement with the concept of employing peaceful methods to solve international problems and in compliance with international law, it has held continuous talks with the Government of Great Britain to solve the conflict;

3. Within this framework, the government of the republic is willing to continue the negotiations, taking into consideration the interests of the people of Belize but without ingnoring the rights of Guatemala;

4. The Government of Guatemala expects the next round of talks to be held as soon as possible at a time and place to be determined in an opportune fashion.

Relations With Panama, a Fact

Part of the news conference was taken up by questions by members of the press.

On the question on diplomatic relations with Panama, which were broken off unilaterally by Gen Kjell Eugenio Laugerud Garcia, Castillo Valdes replied that the resumption of diplomatic relations with the government and people of Panama is a fact. The decision has been taken. The date for the resumption will be announced immediately after completing all the preparations for the formal resumption.

The Belize Case

One newsman referred to statements made by Vice President Francisco Villagran Kramer, who visited the United States as special envoy of the Guatemalan Government on the Belize case, in which he said that it might by appropriate to hold talks in some Caribbean country and suggested Barbados. The newsman asked whether the vice president spoke of the relevant participation on the country's international policy and what the ministry thought of the suggestions which he made.

I believe that, taking into consideration the experience which he has in international affairs, the respect which he has at the university, the respect he has among the people, the respect which we, his friends, have for him, his suggestions will be given great importance, in the sense that his opinion will be considered. However, I would say personally, as his friend, that they will be given as much importance as the opinion of my friend Javier Hernandez (the newsman who asked the question): that is, their opinions will be welcomed. Officially, I would prefer not to make a reply because it is not I but the Constitution of the country which decides that. Article 193 of the Constitution provides four specific functions for the vice president.

In order to make this situation perfectly clear, I want to again mention Paragraph 11 of Article 189 of the Constitution: "The functions of the president of the republic are: 11. To direct the nation's international policy, to the exclusion of anyone else." So much for the formal framework of relations. Concerning the importance of his statements, on a purely personal level, we have a very special friendship with Villagram Kramer; I admire him and we will continue to be friends. He has his functions and the foreign minister has his.

The foreign minister made a similar reply to a question on the unfavorable trade balance with Mexico and the forthcoming trip of a group of Guatemalan students to Cuba.

On the former, he said that there are documents in the Mexican Foreign Ministry dated March of this year which deal with the effort to improve relations with Guatemala, including economic ties, and that as far as Guatemala is concerned this is not only a desire but a necessity. Therefore, it is hoped that the programs which General Lucas' government will implement will result in an abundance of consumer and export goods. We can do nothing unless we have something to sell.

Concerning the trip to Cuba, he said that the Constitution guarantees the right of the people to travel freely at home and abroad. There is no reason whatsoever to oppose one of man's fundamental rights.

HONDURAS

LEFTIST STUDENT LEADERS ARRESTED AFTER DEMONSTRATIONS

PA192341Y Panama City ACAN in Spanish 2025 GMT 19 Jul 78 PA

[Text] Tegucigalpa, 19 Jul (ACAN-EFE)--Several student leaders were arrested as a result of the massive antimilitary government demonstrations held yesterday in this capital city. The leftist Honduran Federation of High School Students [FESE] held two protest demonstrations at the presidential house demanding to speak to chief of state Juan Alberto Melgar Castro in order to negotiate socioeconomic changes. FESE demanded, among other things, the reduction of school tuition fees, recognition of the student organization and the gradual takeover of several departmental schools by the government.

FESE has ordered strikes in more than 40 schools to pressure the government into meeting their demands.

BRIEFS

1978 COFFEE EXPORTS--Tegucigalpa, 13 Jul (AFP)--Honduran coffee exports from the current year's crop amount to 840,000 60-kilo sacks, according to statistics revealed here today by government officials. The sales cover mainly the U.S. and European markets. Profits so far amount to $194 million. The Honduran Coffee Institute also revealed that Honduras still has an exportable reserve of 78,587 sacks. [Paris AFP in Spanish 0542 GMT 14 Jul 78 PA]

LOAN FOR HYDROELECTRIC PROJECT--Tegucigalpa, 6 Jul (ACAN-EFE)--The Honduran national electric energy enterprise today obtained a $600,000 loan from the Central American Bank of Economic Integration to finance the preparation of the final design and bidding documents for El Nispero hydroelectric project. The project is located on the Palaja River in Santa Barbara Department. [Panama City ACAN in Spanish 1557 GMT 6 Jul 78 PA]

NICARAGUA

DEAD, WOUNDED REPORTED IN WAKE OF NATIONAL STRIKE

PA200122Y Panama City ACAN in Spanish 0045 GMT 20 Jul 78 PA

[Excerpts] Managua, 19 July (ACAN-EFE)--The national strike called for today by the "Broad Opposition Front" has resulted in two dead and two wounded in interior Nicaraguan cities.

In Managua the strike, except for some explosions of contact bombs, developed without serious incidents. In the northern part of Nicaragua, a worker, Bladimir Hidalgo Martinez, was shot to death when the National Guard dispersed a street demonstration on Jose Marti Avenue in Esteli. The demonstrators were demanding the exhumation of the body of guerrilla Jose Benito Escobar Perez, who had been buried in some unknown place. The Esteli Red Cross said that one of the shots which killed Hidalgo Martinez also wounded an unidentified 12-year-old boy in the arm.

The other death took place in the Monimbo Indian community to the east of Managua. Roberto Lopez Pavon, 19, was shot in the head when a military patrol dispersed a group demonstrating in the streets shortly after the explosion of several contact bombs. The Masaya Red Cross took the body to the San Antonio Hospital and treated another slightly wounded person who later went home.

Less serious incidents were also reported in Chinandega, Matagalpa and Leon. Former Conservative Deputy Alofonso Perez Andino, who was tried last year by a military court for collaborating with the FSLN, was arrested.

In this capital a bomb exploded in the Cristal "Nabisco" biscuit factory after the workers protested attempts to force them to work. Other bombs exploded on th streets in other sectors of Managua. Police dispersed an antigovernment demonstration in "Las Americas" colony, east of the city. Groups of soldiers confiscated supposedly subversive literature in a raid on a labor union office located in the "Larreynaga" district.

There were no figures available concerning the national strike in the main cities of the countryside. A national Chamber of Commerce spokesman, however, revealed that out of 233 stores in Managua's business sector only 19 had opened for business at 1530 (2130 GMT). A spokesman for the merchants said that figure reflected only 8.9 percent of the stores in that sector of Managua.

Elsewhere, spokesmen of political organizations which called the strike said that "the popularion had responded" to their appeal. They said they will make an evaluation of the strike tomorrow.

Political leaders claimed that the percentage of stores that joined the strike in the principal cities of the countryside "was higher than in Managua."

Neither the banks nor the large industries joined the strike. Economic activity, however, suffered a considerable loss because there were no buyers in the stores and no customers at the banks.

The National Guard was patrolling the streets on foot and in patrol cars.

'Almost Complete' Paralysis

PA1920007Y Panama City AFP in Spanish 1930 GMT 19 Jul 78 PA

[Excerpt] Managua, 19 July (AFP)--It was learned here today that Nicaragua is almost completely paralyzed due to the strike called by the opposition to the regime of President Anastasio Somoza.

Close to noon today, the overall work stoppage called by the group of Broad Front parties [partidos frente amplio] had spread throughout the country and brought almost complete paralysis in most cities.

At the major trade center in Managua located in the southeaster part of the city, 80 percent of the stores had closed their doors. Industry was almost completely paralyzed, according to press reports received in the staff rooms of Managua newspapers and radio stations.

An almost total suspension of business activity was reported in the cities of Jinotega, Boaco, Esteli, Leon, Chinandega, Masaya, Condega, Somoto, Masatepe, Diriamba, Jinotepe, Corinto and Rivas, located in various parts of the country.

The army is patrolling all business centers, but the possibilities of clashes seem to have been reduced because the organizers of the strike have asked the people to stay home and avoid any contact with the authorities.

Buses and taxis circulated in the city of Managua with few passengers. It is estimated that 2,000 soldiers were mobilized to patrol just the capital.

ACAN: 70 Percent Effective

PA192104Y Panama City ACAN in Spanish 2000 GMT 19 Jul 78 PA

[Excerpts] Managua, 19 Jul (ACAN-EFE)--It is estimated here today that the nationwide strike called by the Broad Opposition Front, with the support of other groups opposed to Gen Anastasio Somoza's government, has been 70 percent effective. This percentage was drawn by ACAN-EFE correspondents who toured the five trade centers located on the outskirts of the capital.

Preliminary reports from the other parts of the country say that the closing of worksites may be greater in major countryside cities such as Jinotepe, Matagalpa and Esteli.

Even though the banks opened their doors to the public, several branch offices were compelled to close because their employees did not show up. At most of the banking offices which did open, however, the absence of customers is noticeable.

The La Colonia supermarket chain joined the strike but not the Mass por Menos supermarkets which operate with a large percentage of Costa Rican capital.

A small number of gas stations are not open for service.

The public transportation service and taxis are operating almost normally. Public offices opened normally but few people are using the buses.

There is military surveillance at the trade centers by foot patrols and army vehicles. Where the most police protection is noticeable is at the bank branches.

In the meantime, Luis Pallais Debayle, spokesman for President Somoza's government, gave assurances that 60 percent of the government offices are open in Managua, according to reports received this morning by the administration. He added that 90 percent of the industries are open, even though he admitted that a low customer turnout is noticeable at the trade centers and banking offices "due to the propaganda given to the strike."

Pallais Debayle, director of the newspaper NOVEDADES, a semiofficial newspaper, stated that in the city of Leon 50 percent of businesses are open while in Chinandega 60 percent are closed. In Jinotepe, where serious disturbances took place on 9 July, 70 percent are closed, the source admitted. He added that in Rivas, a southern Nicaraguan city, only 50 percent of businesses closed. "In the remainder of the country, businesses opened their doors to the public," the government spokesman stressed.

CASTRO TO SPEAK AT 26 JULY CELEBRATION

FL192207Y Havana Domestic Service in Spanish 2130 GMT 19 Jul 78 FL

[Text] Comander in Chief Fidel Castro, first secretary of the PCC and president of the Council of State and Council of Ministers, will speak on 26 July at the main event commemorating the 25th anniversary of the assault on the Moncada barracks, which will be held in Santiago de Cuba, the site of the important event. This announcement was made today during a review meeting on the preparatory activities for the 25th anniversary which was closed by PCC Central Committee Secretariat member Antonio Perez Herrero. In his remarks, Perez Herrero labeled the preparatory work to commemorate 26 July in Santiago de Cuba Province as very good.

The meeting was also presided over by Jose Ramon Balguer, member of the Central Committee and first secretary in the province, and (Angel Alvarellos), PCC second secretary in that province.

At the conclusion of this review meeting, it was announced that the material needs, such as transportation and housing, for the guests and foreign delegations who will be participating in the activities organized to pay homage to the anniversary are ready.

EASTERN ARMY CONDUCTS '11TH FESTIVAL' MANEUVER

FL191942Y Havana Domestic Television Service in Spanish 1700 GMT 19 Jul 78 FL

[Text] The Eastern Army concluded on 15 July the "11th Festival" maneuver, which had as its political and ideological objective to arrive at the 25th anniversary of the assault on the Moncada barracks and the 11th World Youth and Students Festival with higher levels of operational, combat and political training.

The activity began with the pass in review and by the chief of the Eastern Army, Col Andres Rosendo Ojeda, greeting troops and reservists taking part in the maneuver. Attending the event were Carlos Hernandez Godin, from the Revolutionary Armed Forces [FAR] general staff; Col Andres Rosendo Ojeda, chief of the Eastern Army; leaders of the PCC and people's government from Holguin and Camaguey provinces; Soviet specialists; unit chiefs and other guests.

The closing remarks at the "11th Festival" maneuver were made by Col Rosendo Ojeda, chief of the Eastern Army, who stated that the maneuver in both its practice and spirit responds to the high mission set by the First PCC Congress on strengthening our armed forces' combat readiness and capabilities, which are the defending shield of the revolution's work. Referring to the personnel participating in the maneuver, the chief of the Eastern Army stated: We sincerely believe that the work undertaken by each one of you during these 2 days in the field has not been in vain, but rather that this once again shows the satisfaction of complying with the revolution, the PCC and to our commander in chief.

Col Rosendo Ojeda also stated: The 11th festival, which is also the name of the maneuver we conclude today, has been the catalyst of our army's inexhaustible efforts and innitatives in being the best example of complying with the multiple and complex tasks assigned. The effort has been undertaken by our chiefs, officers, sergeants, soldiers, reservists, civilian workers, PCC and youth organizations, with valuable aid from the Soviet specialists, who in such a worthy and honorable way give their all so that our units can raise and perfect their combat capabilities.

In referring to the upcoming 26 July celebration, the chief of the Eastern Army stated: Suffice it to say that on this new anniversary of Moncada--that glorious anniversary which has a unique significance because only definitive historical events achieve this--it is precisely for this reason that this event is compared to Majagua, Baire and the Coloradas [beach] site of the Granma landing.

The "11th Festival" maneuver of the Eastern Army ended with a parade by all participating units, once again showing the degree of organization and mastery achieved by our glorious FAR, the loyal follower of the heroic legacy of the centennial generation which was the same leader and chief at its head, Comrade Fidel.

1977-78 SUGAR HARVEST TO END OFFICIALLY 20 JULY

FL191030Y Havana Domestic Service in Spanish 1000 GMT 19 Jul 78 FL

[Text] The nation's sugar harvest will officially end on 20 July when the Antonio Guiteras sugar mill stops its machinery, Faure Chomon, party first secretary in Las Tunas Province, has announced in a farewell ceremony for a contingent of canecutters. The PCC Central Committee member bade farewell to 1,200 canecutters from eastern provinces who remained 43 days in the canefields of the Antonio Guiteras sugar mill giving their support to harvest activities.

Chomon congratulated the canecutters and equipment operators from the provinces of Granma, Santiago de Cuba, Guantanamo and Tunas for their efforts and attitude in maintaining a daily grinding norm of 1.1 million arrobas of cane at the Puerto Padre colossus. He added that despite climatic difficulties 123 million more Arrobas were ground than in the previous harvest.

Faure reported that the Tunas central event marking the 25th anniversary of the assault on the Moncada barracks will be held at the Antonio Guiteras sugar mill in recognition of the effort made in that industry. He stated that a tireless effort was made to fulfill the sugar production plan and that the entire population had responded to the party's appeal. That effort is the best response to Commander in Chief Fidel Castro's appeal in Carupano, he said in closing.

ISLE OF YOUTH PROCLAMATION TO BE HELD 2 AUGUST

FL192341Y Havana Domestic Service in Spanish 2300 GMT 19 Jul 78 FL

[Text] The Museum of the Revolution at the Modelo prison, where over 20 years ago the youth of the centennial generation who were led by Fidel were imprisoned, will be the site of the Isle of Youth proclamation event.

A mass rally will be held on 2 August in the afternoon with the participation of delegates and guests to the 11th World Youth and Students Festival, who will be able to appreciate the successful achievements made on the island.

ELECTORAL BOARD RELEASES OFFICIAL ELECTION RESULTS

PA191946Y Paris AFP in Spanish 0302 GMT 19 Jul 78 PA

[Text] Santo Domingo, 18 Jul (AFP)--The Central Electoral Board today completed final computations of the 16 May elections. According to these computations, [number indistinct] of the 13 parties which participated have lost their legal recognition because they failed to obtain the necessary percentage of the vote required by law.

A total of 1,655,807 persons voted in the elections out of the 2,282,611 registered by the Electoral Board, for an abstention rate of 27.49 percent. The Dominican Revolutionary Party [PRD], winner in the elections, obtained 856,084 votes. The Reformist (government) Party came in second with 698,273 votes. In addition to winning the presidency and vice presidency of the republic, the PRD won 50 seats in the Chamber of Deputies, 11 seats in the Senate and 33 mayoralties. The Reformist Party won 41 seats in the Chamber, 16 in the Senate and 51 mayoralties.

Among the parties that lost their legal recognition were: the Dominican Communist Party, the Democratic Quisqueyan Party led by Elias Wessin Y Wessin, the antireelection democratic integration movement led by former Vice President Francisco Augusto Lora, the ret Rear Admiral Homero Lajara Burgos and the Christian Social Revolutionary Party.

PRESIDENT-ELECT WILLING TO REACH AGREEMENT ON CONGRESS

PA181734Y Paris AFP in Spanish 1426 GMT 18 Jul 78 PA

[Text] Santo Domingo, 18 Jul (AFP)--President-elect Antonio Guzman announced here that the Dominican Revolutionary Party (PRD) is willing to reach an agreement with the Reformist Party (PR), in power since 1966, regarding the makeup of Congress if it is on the best interests of the country. "We will reach any agreement with whomever we have to if it is for the benefit of the country," Guzman said, while adding that he did not place too much importance on the damage" that a Senate controlled by the PR could do to his government. Meanwhile, the Central Electoral Board has conceded to the PR four more seats in the Senate in four provinces where, according to earlier reports released by the board, the PRD had won.

SECURITY BODY TRANSFER PROPOSED BY BALAGUER

PA200308Y Paris AFP in Spanish 0033 GMT 30 Jul 78 PA

[Text] Santo Domingo, 19 Jul (AFP)--According to a bill presented today to the Senate by President Balaguer, the National Investigations Directorate [DNI] will become a subordinate agency of the Dominican Armed Forces. The bill gives the DNI complete powers to investigate "any act committed by persons, groups or associations, which is detrimental to the constitution or the laws of the nation or which tries to establish a totalitarian form of government." In a message accompanying the bill, the president said that the purpose of the bill is "to preserve the national institutions."

The DNI, now acting as an autonomous institution, will also have the task of controlling the entry of foreigners into the country and of studying the requests for foreign visas submitted by the Foreign relations secretariat.

CHILE

'PINOCHET MOVEMENT' PROPOSAL CAUSES CONTROVERSY

PY200014Y Paris AFP in Spanish 1716 GMT 19 Jul 78 PY

[Text] Santiago, Chile, 19 Jul--Chilean President Gen Augusto Pinochet emerged here today as the center of a controversy unleashed by young people who support the military regime.

The controversy exploded when the National Unity Youth Front [Frente Juvenil de Unidad Nacional--FJUN] urged the Chilean people to create a Pinochet movement which would have Pinochet as its leader.

The idea was questioned by other sectors, including people who support the military junta which took power in Chile in September 1973 after the civilian regime headed by Socialist President Salvador Allende was overthrown.

The FJUN, through its leader Ignacio Astete, suggested closing ranks in a civic mobilization which would make Pinochetism the overriding force, which would consolidate the new democratic institutionality. Observers here warned that this call seems to be the answer to foreign criticism of the Chilean Government, mainly directed against Pinochet.

Lawyer Pablo Rodriguez, founder of the nationalist group Fatherland and Freedom, which fought against Allende and supported the 1973 military movement, called the youth initiative crazy.

Rodriguez said that those who thought up this idea did Pinochet a great disservice and have introduced a new germ of dissent and division.

The Pinochetist initiative emerged a week ago, but discussion of it increased in the following days when about 30 young people, who also support the military regime, publicly expressed their disagreement. They indicated in an open letter: "We acknowledge no other authority than the iron unity of the four members of the honorable government junta."

Former National [Party] Deputy Maximiliano Errazuriz indicated: "I believe that the president does not want to, cannot and must not acknowledge this call."

Remarks contrary to the FJUN proposal were also heard in circles defined as opposed to the government. Former Christian Democrat Congressman Claudio Orrego asserted that "we are observing a high level political maneuvering and an involuntary excess by young people."

For the time being, Pinochet, 62, is staying out of the controversy, not saying anything.

UN GROUP MEETS CNI CHIEF, VISITS PRISONS

PY191453Y Santiago Chile Radio Mineria Network in Spanish 1030 GMT 19 Jul 78 PY

[Text] Santiago, Chile--The UN ad hoc Human Rights Commission yesterday met with Gen Odlanier Mena, director of the National Information Center [CNI], and then visited a former detention camp and the prison of Santiago.

The leader of the commission, Aboulaye Dieye, told the press that the group may stay in the country beyond the originally scheduled 26 July deadline.

According to Dieye, government officials are doing their best to facilitate the group's task. Dieye said that he and the other members of the commission had received all possible assistance in carrying out their mission.

It was also reported that various religious denominations which operate in the country have asked to meet with the members of the UN group, which thus far has met only with leaders of the Catholic Church.

After meeting with the CNI director, the commission went to Vina del Mar, where they visited the former detention camp of Penalolen. After this the group went to the prison of Santiago, where a special place had been prepared for them to meet with persons serving terms or on trial before military courts.

URUGUAY

52 SOVIET SUBMARINES REPORTED IN SOUTH ATLANTIC

PY192117Y Buenos Aires REVIEW OF THE RIVER PLATE in English 12 Jul 78 p 38 PY

[Excerpt] According to data revealed by the Uruguayan daily paper MUNDO COLOR (May 30, 1978) 52 Soviet and 12 Cuban submarines are cruising the South Atlantic since beginning of this year. These units are apparently permanently stationed in the South Atlantic, that is, they are continuously being exchanged for other units, and they regularly carry out observation activities and maneuvers. They have not been sighted very near the South American shores, however, nor could any of them be detected when the Argentine, Brazilian and Uruguayan navies carried out their maneuvers.

BRIEFS

FOREIGN MINISTRY UNDER SECRETARY--Montevideo--Julio Cesar Lupinacci, career diplomat and lawyer, has been sworn in as foreign relations under secretary, deputy to Foreign Minister Adolfo Folle Martinez. [Buenos Aires TEIAM in Spanish 1630 GMT 15 Jul 78 PY]

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